CAPITAL PURCHASE PROGRAM

MARCH 2000

IMPORTANT DATES

- APRIL 7
  - CPP BUDGET WILL BE SUBMITTED VIA RESOURCE PLANNING SYSTEM (RPS)
  - 9D RECONCILIATION STATEMENT FOR FY00 AND FY01 PROJECTS SUBMITTED VIA FAX OR E-MAIL
  - CPP PROJECT EVAL/SCREENING RATINGS MATRIX
- MAY 22
  - FINAL SUBMISSION OF CPP BUDGET VIA RPS FOLLOWING PAC REVIEW AND DETERMINATION BY THE BOARD OF DIRECTORS
  - POST INVESTMENT ANALYSIS (PIA)
    - COMPLETED FOR AT LEAST FIVE PROJECTS THAT BECAME OPERATIONAL IN FY98

CPP PROJECT EVALUATION AND SCREENING RATINGS MATRIX

- USED FOR FIRST TIME THIS YEAR TO PRIORITIZE PROJECTS
  - USE TO PRIORITZE PROJECTS IN FY02/FY03
  - APPLY TO ANY SUBSTITUTIONS/ADDITIONS TO THE FY00/01 PROGRAM
  - “CORPORATE SPECIAL INTEREST” BLOCK WILL BE FILLED IN BY PACs

CPP PROJECT EVALUATION AND SCREENING RATINGS MATRIX

PROGRAM YEAR: | ACTIVITY: | CORE EQUITY SUPPORTED:

PROJECT TITLE: | PROJECT CATEGORY: | PROJECT NUMBER:

	ATTRIBUTE	WEIGHT	0	1	2	3	4	5	TOTAL
A. MISSION	A.1. Impact on Mission / Alignment with Core Equities	25	No Impact on Mission / Does Not Satisfy Core Equities	Mission can be Accomplished But Less Than Optimally / Core Equities Satisfied		Mission can be Accomplished But Not Without Risk / Core Equities Satisfied		Mission can Not be Accomplished / Necessary to Satisfy Core Equities	
	A.2. Impact on Critical Program Schedule	10	No Impact	Impact 5+ Years Out	Impact 3-5 Years Out	Impact 2-3 Years Out	Impact 1 Year Out	Impact in Execution Year	
	A.3. Fleet/Customer Interest	10	No Special Interest	Fleet / Customer Interest Item		Directed by Fleet / Customer		Directed Above Fleet / Customer	
	A.4. Activity Priority	10	Not Included	0-19th Percentile	20-39th Percentile	40-59th Percentile	60-79th Percentile	80-100th Percentile	
	A.5. Impact on Business Base	5	Impacts Less Than 2% of Activity's Business Base	2%<Impact <10%	10%<Impact <20%	20%<Impact <30%	30%<Impact <40%	Impacts More Than 40% of Activity's Business Base	
	A.6. Corporate Special Interest	10	No Special Interest	NAVSEA Special Interest Item		Sponsored by NAVSEA		Sponsored Above NAVSEA	
B. COMPLIANCE	B. Compliance Issues: (Environmental/NAVOSH/ Explosive Safety Waivers, etc.)	25	No Impact	Class IV Environmental Issue / OSH RAC 5 / Reduces Explosive Safety Waiver by 20% of Multiple Site Waivers / Other	Class III Environmental Issue / OSH RAC 4 / Reduces Explosive Safety Waiver by 40% of Multiple Site Waivers / Other	Class II Environmental Issue / OSH RAC 3 / Reduces Explosive Safety Waiver by 60% of Multiple Site Waivers / Other	Class I Environmental Issue / OSH RAC 2 / Reduces Explosive Safety Waiver by 80% of Multiple Site Waivers / Other	Class I Environmental Issue with High Local Interest / OSH RAC 1 / ELIMINATES Explosive Safety Waiver / Other	
C. ECONOMIC INDICATORS	C.1. Payback(PB)/Useful Life(UL) (FOR ITEMS <$1,000K)	25	(PB/UL) >1	.75 <(PB/UL) <1	.5 <(PB/UL) <.75	.25 <(PB/UL) <.5	.1 <(PB/UL) <.25	(PB/UL) <.1	
	C.2. Benefit to Investment Ratio (BIR) (FOR ITEMS >$1,000K)		BIR <1	BIR =1	1 <BIR <2	2 <BIR <3	3 <BIR <4	BIR >4	
	TOTAL	120					GRAND TOTAL =		0

OSH RAC (RISK ASSESSMENT CODE): 1 = **Critical** (imminent danger) 2 = **Serious** (may occur) 3 = **Moderate** (can occur) 4 = **Minor** (low risk) 5 = **Negligible** (low risk)

RATED BY: | RATING DATE:

COMMENTS: Relate the importance of a particular pr

BUDGET GUIDANCE

- FY00
  - ASSUME REPROGRAMMING REQUEST WILL BE APPROVED
  - SUBMIT BUDGET ACCORDINGLY
  - DO NOT EXECUTE UNTIL YOU HAVE RECEIVED AN AMENDED UNIT COST LETTER
- FY01
  - SUBMIT DESIRED SUBSTITUTIONS
  - DO NOT INCREASE BOTTOM LINE AUTHORITY FOR YOUR DIVISION
    - REFRAIN FROM MAKING CATEGORICAL SUBSTITUTIONS (ADPE, NON ADPE, ETC) WHERE POSSIBLE

BUDGET GUIDANCE (CONT'D)

- FY01
  - NEW PROJECTS MUST BE FULLY JUSTIFIED
    - ADDRESS THE REASON WHY THEY'VE BEEN ADDED
    - IF URGENCY QUESTION NOT ADDRESSED, FMB/OSD/CONGRESS ARE LEFT WITH THE IMPRESSION THAT THERE IS NO PLAN
- FY02-03
  - WHEN SUBMITTING PROJECTS FOR THESE FISCAL YEARS, YOU ARE REQUESTED TO LIVE WITHIN WHAT YOUR DEPRECIATION WILL ALLOW
  - USE THE CPP PROJECT EVALUATION AND SCREENING RATINGS MATRIX TO PRIORITIZE PROJECTS WITHIN EACH FISCAL YEAR
  - SUBMIT RANKING MATRIX VIA EMAIL ON 7 APRIL 00

GENERAL WRITE-UP GUIDANCE

- INCLUDE WORDS IN THE NARRATIVE TO IDENTIFY THOSE PROJECTS THAT SUPPORT MORE THAN ONE PRODUCT AREA
- NARRATIVES SHOULD BE FAIRLY GENERIC AND THEREFORE LESS LIKELY TO BE REPROGRAMMED AS YOU WORK THROUGH THE 2 YR BUDGET CYCLE
- USE COMMON LANGUAGE AND AVOID JARGON
  - REMEMBER WHO AUDIENCE IS
    - USE LANGUAGE A BUDGET ANALYST CAN RELATE TO AND EASILY UNDERSTAND

GENERAL WRITE-UP GUIDANCE (CONT'D)

- CAREFULLY PROOF READ EACH PROJECT
  - TYPOS AND GRAMMATICAL ERRORS DETRACT FROM THE JUSTIFICATION
  - MAKES THEM DIFFICULT TO READ
- USE NAME OF FIELD ACTIVITY OR NAME OF THE ORGANIZATION WITHIN THE ACTIVITY
  - NEVER USE CODES
- SPELL OUT ALL ACRONYMS
- AVOID USING LANGUAGE THAT MAKES THE JUSTIFICATION SOUND LIKE A MARKETING TOOL

GENERAL WRITE-UP GUIDANCE (CONT'D)

  - IF WE GET THE PROJECT, THEN WE CAN GO AFTER THE ASSOCIATED WORK
  - WON'T FLY IN TODAY'S ENVIRONMENT OF DOWNSIZING
- INCREASED WORKLOAD DISCUSSED IN 9B
  - UNLESS CAN BE SUPPORTED BY A DOCUMENTED INCREASE IN ORDERS FOR THAT WORKLOAD, RECOMMEND DELETION OF PROJECT

ADP/IT

- DUE TO UNCERTAINTIY OF NMCI, YOU SHOULD BUDGET AS THOUGH YOU WERE GOING TO CONTINUE TO PROVIDE THE “IT” SERVICE

SUBMISSION PROCESS

- SUBMIT ENTIRE PACKAGE TO NAVSEA VIA RPS
- NAVSEA WILL PROVIDE PACKAGES TO THE PACs
- PACs WILL CONCENTRATE ON REVIEWING YOUR FY02/03 PROGRAMS
- THE BOARD OF DIRECTORS WILL MAKE THE FINAL DETERMINATION OF PROJECTS BEING FORWARDED TO NSWC HQTRS
- NSWC 02 AND NAVSEA 04XI WILL REVIEW ALL SUBSTITUTIONS/ADDITIONS TO THE FY01 PROGRAM AS WELL AS ALL INFRASTRUCTURE RELATED PROJECTS WHICH ARE NOT TIED TO A SPECIFIC PRODUCT AREA.